Custom duty on C.A. sheets

2825. SHRI CHIMANBHAI MEHTA:
SHRI SARADA MOHANTY:
SHRIMATI MIRA DAS:
SHRI ANANTRAY DEV-SHANKAR DAVE:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that locally manufactured C.A. Sheets, (Cellulose Acetate) is facing unhealthy competition from imported sheets due to heavy under-invoicing;

(b) whether it is also a fact that local C.A. Sheet's prices for per KG is Rs. 690-1035 and imported C.A. Sheets price is around Rs. 300-480;

(c) whether it is also a fact that C.A. Sheet ex-factory price is Rs. 240-360 while imported C.A. Sheets CIF price is only Rs. 30-60 per KG due to heavy under-invoicing;

(d) whether it is also a fact that one C.A. Sheet producing plant closed down and greater part of installed capacity of C.A. sheets producing industry remain idle; and

(e) whether Government have considered specific custom duty in place of ad-valorem to prevent under-invoicing or substitution of specific-cum-ad-valorem?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) No, Sir.

(b) and (c) The cif price of Cellulose Acetate sheets varies from around Rs. 30 to Rs. 90 per Kg. and on this basis the landed cost varies from Rs. 90 to Rs. 270 per Kg. approximately. As compared to the same, the ex-factory price of indigenous Cellulose Acetate sheets, inclusive of excise duty, ranges between Rs. 140 to Rs. 220 per Kg.

(d) Government is not aware of any factory manufacturing Cellulose Acetate sheets having closed down. One unit appears to have stopped manufacturing Cellulose Acetate sheets due to quality problems, and is manufacturing other sheets.

(e) No, Sir.

Duty on raw materials consumed by TV and Electronic Industries

2826. SHRI CHIMANBHAI MEHTA:
SHRI SARADA MOHANTY:
SHRIMATI MIRA DAS:
SHRI ANANTRAY DEV-SHANKER DAVE:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that local TVs are costlier due to high duty component as compared to imported TVs;

(b) whether it is also a fact that the duty on raw materials consumed by TV and electronics industry is much higher and therefore components are imported;

(c) if so, what are the details of duty rates of main raw material, and

(d) whether it is also a fact that in other TV manufacturing countries, raw materials are imported on a duty free base or with nominal duty, while in our country these materials attract the duty of 110 per cent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) TVs can generally be imported only as part of baggage by passengers coming from abroad and attract a rate of customs duty (basic + auxiliary) of 255 per cent except when brought under Transfer of Residence Rules in which case they attract a rate of duty of 25 per cent in addition, counterveiling duty equivalent to Central Excise duty is payable. At the rate of basic plus auxiliary customs duty of 255 per cent with counterveiling duty, the landed cost of imported colour TVs are comparable to the retail consumer price of local colour TVs. Black & White TVs produced indigenously are generally fully exempt from excise duty.

(b) to (d) In accordance with the existing policy of the Government, a large number of raw materials and piece parts for electronic industry are subject to concessional basic plus auxiliary customs duty of 40 per cent and 60 per cent respectively. Specified components

on the other hand attract basic plus auxiliary customs duty at 80 per cent. Thus, at present, generally the rate of import duty on raw materials for the electronic industry (including T.Vs) is lower than the rate of duty on the components. For imports under special schemes, such as, advance licensing scheme or imports by 100 per cent Export Oriented Units or units in Free Trade Zone/Export Processing Zone, import of raw materials is permitted duty free for use in the manufacture of products for export. The Government have no specific information about the import duty regime operating in respect of raw matedials in other TV manufacturing countries.

अतिरिक्त शेयर बाजारों के संबंध में फेरवानी समिति की सिफारिशें

2827. **श्री रामसिंह राठवा** : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि फेरवानी समिति ने अपने प्रतिवेदन में यह सिफारिश की थी की अतिरिक्त शेयर बाजार स्थापित किए जाने चाहिए ;

(ख) यदि हां, तो सरकार ने पिछले वर्ष के दौरान इस दिशा में क्या प्रयास किए हैं ; और

(ग) फेरवानी समिति की अन्य सिफारिशें क्या-क्या हैं ?

वित्त मंत्रालय में राज्य मंत्री (श्री रामेश्वर ठाकुर) : (क) और (ख) श्री एम० जे० फेरवानी की अध्यक्षता में नए स्टाक एक्सचेंजों की स्थापना हेतु नीति का सुझाव देने के लिए इस मंत्रालय द्वारा जनवरी, 1991 में गठित एक अध्ययन दल ने सिफारिश की है कि सरकार नई बम्बई, नागपुर, ग्वालियर, चंडीगढ़ और शिमला में पांच अतिरिक्त स्टाक एक्सचेंजों की स्थापना के लिए स्वीकृति प्रदान करें। सिद्धान्त रूप में सरकार नई बम्बई में एक राष्ट्रीय स्टाक एक्सचेंज की स्थापना के लिए अगस्त, 1991 में पहले ही स्वीकृति प्रदान कर चुकी है । अन्य चार प्रस्तावित एक्सचेंजों की स्थापना के संबंध में आवश्यक कार्रवाई करने की मुख्य जिम्मेदारी प्रवर्तकों की है ।

(ग) अन्य मुख्य सिफारिशें राष्ट्रीय निपटान और समझौता पद्धति, एक केन्द्रीय निक्षेपी न्यास और एक प्रतिभूति सुविधा समर्थन निगम की स्थापनाओं से संबंधित है ।

Nadkarni Committee's Report on securities trading

2828. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India might be forced to reintroduce the system of ready forward trading in securities by banks, albeit in a modified form, in the coming days as reported in the Financial Express of the 8th July, 1992, if so, the details thereof;

(b) by when the Nadkarni Committee Report in this regard is expected to be received by Government and whether before reintroducing/revamping this system Government propose to consult securities trading officials, of various banks, financial services, companies, chiefs of Public Sector Banks, etc.;

(c) whether Government also propose to have a fresh look over the system of appointment of brokers and commission paid to them;

(d) if so, by when and if not, the reasons therefor; and

(e) in what manner the activities of unscrupulous brokers is proposed to be checked?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Reserve Bank of India (RBI) has informed that they have no proposal at present to reintroduce ready forward deals in securities.

(b) The Nadkarni Committee which has been set up by RBI is expected to submit